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PROJECT NO. 51812

ISSUES RELATED TO THE STATE §  
OF DISASTER FOR THE §  
FEBRUARY 2021 WINTER §  
WEATHER EVENT §

PUBLIC UTILITY COMMISSION

2021 MAR 10 AM 9:58  
PUBLIC UTILITY COMMISSION  
OF TEXAS  
FILING CLERK

**COMMENTS REGARDING**  
**FEBRUARY 15, 2021 COMMISSION ORDER**

Brazos Electric Cooperative, Inc. ("Brazos Electric") files these comments in support of the Joint Comments Regarding February 15, 2021 Order filed on March 9, 2021 by Bandera Electric Cooperative, Inc., Bluebonnet Electric Cooperative, Inc., Pedernales Electric Cooperative, Inc., and the City of San Marcos, Texas.

Brazos Electric respectfully requests that the Commission enforce, or, in the alternative, clarify, its February 15 Order<sup>1</sup> to ensure that immediately after customer firm load shed ended at 23:55 on February 17, 2021, energy market clearing prices are returned to normal without any administrative price adders. The February 15 Order explicitly stated that the market price for energy needed to serve load should be at its highest "if customer load is being shed."<sup>2</sup> The Electric Reliability Council of Texas ("ERCOT") failed to properly implement the order by continuing to set energy prices at \$9,000/MWh for 32 hours after load shed ended. Brazos Electric joins in the comments submitted by Bandera Electric Cooperative, Inc., Bluebonnet Electric Cooperative, Inc., Pedernales Electric Cooperative, Inc., and the City of San Marcos, Texas and respectfully requests that the Commission enforce its February 15 Order as written, or, in the alternative, clarify the order so that the effects of its misapplication of the \$9,000 price can be corrected.

Brazos Electric was hit especially hard by ERCOT's failure to remove the SWCAP price adders. Brazos Electric is a generation and transmission cooperative serving 16 distribution cooperative members across 68 counties. Knowing many of its members' customers depend on electricity for winter heat,

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<sup>1</sup> Project No. 51617, *Oversight of the Electric Reliability Council of Texas*, Order Directing ERCOT to Take Action and Granting Exception to Commission Rules (Feb. 15, 2021) (herein, "February 15 Order") (refiled in Project No. 51812). The February 15, 2021 Order was replaced by an Order on February 16, 2021, but the February 16 Order did not change the section of the February 15 Order addressed here.

<sup>2</sup> Feb. 15 Order at 1.

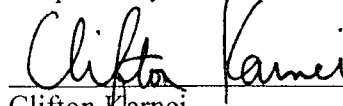
Brazos Electric and its members worked to restore service to households as quickly as possible as soon as the load-shed directive was lifted despite artificial price adders continuing. Because Brazos Electric and its members placed the immediate humanitarian needs of its members and their consumers above financial interests, Brazos Electric, its member cooperatives and their retail consumers face significant financial harm.

This action is entirely within the Commission's authority and would correct the artificial financial penalty that load-serving entities incurred for acting quickly in a humanitarian way to stop the suffering of Texans and restore power as quickly as possible. Such an order would also provide regulatory certainty for the market participants, a result which all market participants desire.

For these reasons, the recommendation of the Independent Market Monitor should be followed and the artificial \$9,000 price for energy should be reduced after ERCOT rescinded its order to shed load.

Brazos Electric appreciates the opportunity to provide these comments to the Commission.

Respectfully Submitted,

A handwritten signature in black ink, appearing to read "Clifton Karnei", is written over a horizontal line.

Clifton Karnei  
Chief Executive Officer  
Brazos Electric Cooperative, Inc.